(a) the total foreign exchange reserves as on June 22, 1991 and January 31, 1992 respectively;

(b) whether these reserves include contributions from the International Monetary Fund and the World Bank;

(c) the share of each of the sources of foreign exchange in these reserves;

(d) whether the balance of payments position has improved during this period; and

(e) if not, the steps taken or proposed to be taken to improve the position?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) The total foreign exchange reserves (excluding Gold and Special Drawing Rights) as on June 22, 1991 and January 31, 1992 were Rs. 2542 crores ($ 1188 million) and Rs. 9766 crores ($ 3775 million) respectively.

(b) The level of reserves is the net result of a number of transactions in the balance of payments accounts including those with IMF and World Bank.

(c) It is not possible to compute source-wise share in the reserves since it is a net result of a number of transactions in the external sector. However, receipts from IMF during the period are : Rs. 570 crores ($ 221 million) in July 1991, Rs. 1654 crores ($ 639 million) in September 1991 and Rs. 305 cores ($ 117 million) in November 1991 and Rs. 683 crores ($ 265 million) in January 1992. Receipts from World Bank on account of structural adjustment loan during the period are equivalent to Rs. 770 crores ($ 300 million).

(d) Yes, Sir. The balance of payments as reflected in the level of reserves has improved.

(e) Does not arise. Even so, the steps initiated and proposed to be taken to maintain the balance of payments position include; macro economic stabilisation, restoration of fiscal discipline, together with structural reforms in trade policy and industrial policy in the short term; increase in capital flows consistent with financial prudence along with their productive use, enhancement of direct foreign investment and inflows from the non-Resident Indians over the medium term.

Special 301 Trade Act

*73 SHRIMATI MARAGATHAM CHANDRASEKHAR:
SHRI CHITTA BASU:

Will the Minister of COMMERCE be pleased to state:

(a) whether the threat by U.S. to begin the process of imposing punitive tariffs on Indian exports is continuing;

(b) if so, the reasons therefor and the details thereof;

(c) whether U.S. has also issued a notification for taking action against India under its special 301 Trade Act;

(d) if so, the details thereof; and

(e) the action taken by the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) to (e). On 26 April, 1991, the United States Trade Representative (USTR) designated india as a priority foreign country under the Special 301 provisions of the U.S. trade legislation on grounds of

perceived deficiencies in India's patent law, trade mark and copyright regimes and the enforcement of intellectual property law. The United States also represented that access for US motion pictures was restricted through quotas, fees and other barriers.

In January, 1992, the USTR issued notice inviting written comments from the public by 24 February, 1992, as to wether acts, policies and practices of the Government of India concerning the protection and enforcement of intellectual property rights and market access for motion pictures are unreasonable and burden or restrict US Commerce and if so, what responsive action, if any should be taken by the United States.

Government are satisfied that our laws relating to trademarks and copyright, together with some amendments proposed to the Copyright Act, are adequate. A decision has also been taken to improve market access for motion pictures and videos. As far as the issue of patents is concerned, attention of the United States has been drawn to the fact that this is the subject of multilateral negotiations, which have yet to be concluded. On 26th February, 1992, the USTR announced the decision to terminate the investigation against India under Section 301.

Committee on Exim Scrips

*74. PROF. UMMAREDDY VENKATESWARLU:
SHRI SANAT KUMAR MANDAL:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have set up any Committee recently to examine the operational strategies of Exim Scrips;

(b) if so, the composition of the Committee;

(c) whether the Committee has submitted its report; and

(d) if so, the salient features of the recommendations made?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) Yes, Sir.

(b) The Committee which has been constituted under the Chairmanship of Shri A. Ghosh, Dy. Governor, RBI comprises of four other members namely director General of International Trade, Chairman, State Bank of India, Joint Secretary, Department of Economic Affairs and President, Federation of Indian Exporters Organisation.

(c) and (d). The Committee has not submitted its report.

Income Tax on Interest Earnings

*75. SHRI M. V. CHANDRASEKHARA MURTHY:
SHRI B. L. SHARMA PREM:

Will the Minister of FINANCE be pleased to state:

(a) whether the scheme of tax deductions on bank interest of more than Rs.2500 per annum has resulted in steep-fall in bank deposits;

(b) if so, whether several bank workers' federations have urged the Government to withdraw the said scheme; and

(c) the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) No, Sir.